

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	:	PROPOSED
IN RE 650 FIFTH AVENUE AND RELATED	:	
PROPERTIES	:	PROTECTIVE ORDER
	:	
	:	08 Civ. 10934 (LAP)
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WHEREAS, the plaintiff, the United States of America, filed an *ex parte* application for a restraining order, dated February 28, 2020, with respect to the income generated from a building located at 650 Fifth Avenue (the “Building”) (the “Application”) (Dkt. Entry Nos. 2200 & 2201);

WHEREAS, the Court ordered that a briefing schedule be set for claimants, 650 Fifth Avenue Company (the “Partnership”) and the Alavi Foundation of New York (“Alavi” and, together, “Claimants”), to respond to the Application (Dkt. Entry No. 2196); Claimants filed a response dated March 13, 2020 (Dkt. Entry No. 2205 & 2206); the United States filed a reply dated March 19, 2020 (Dkt. Entry Nos. 2214 & 2215); Claimants filed a supplemental response dated September 9, 2020 (Dkt. Entry No. 2317); and the United States filed a supplemental reply dated September 17, 2020 (Dkt. Entry No. 2319);

WHEREAS, the Court of Appeals for the Second Circuit issued an order dated October 7, 2020, directing, *inter alia*, that this Court may proceed with a probable-cause hearing on the Application, at which Claimants shall be given a meaningful opportunity to be heard, and that the restraints on the rental income of the Building imposed by a protective order entered on December 12, 2019 (Dkt. Entry No. 2162) shall remain in place pending this Court’s probable cause determination (Dkt. Entry No. 2327);

WHEREAS, on October 13, 2020, a hearing was held on the Application;

WHEREAS, based upon the proceedings had herein, and as set forth on the record at the hearing on October 13, 2020, the Court finds probable cause to seize or restrain the Building, the Partnership, and the income generated by the Building pursuant to 18 U.S.C. § 985(d)(1)(B)(i), as properties that constitute or are derived from proceeds traceable to violations of the International Emergency Economic Powers Act, 50 U.S.C. § 1705, and the Iranian Transactions and Sanctions Regulations, 31 C.F.R. Part 560; and as properties involved in money laundering in violation of 18 U.S.C. §§ 1956 and 1957, or property traceable to such properties;

NOW, THEREFORE, upon the application of Audrey Strauss, Acting United States Attorney, Southern District of New York, Michael D. Lockard, Martin S. Bell, Daniel M. Tracer, and Samuel L. Raymond, Assistant United States Attorneys, of counsel, **IT IS HEREBY ORDERED THAT:**

1. The provisions of the Monitorship, Building Management, and Protective Order dated March 30, 2020 (Dkt. Entry No. 2225) shall remain in force and effect, except for Paragraphs 4 and 11, which are hereby superseded as set forth herein, and to the extent not inconsistent with the terms of this Order.

2. The Partnership shall make payments or disbursements only for purposes of operating, maintaining, and preserving the Building and preserving its value. Such payments may include, but are not limited to, payroll, taxes, distributions to tenants of the Building, broker commissions, capital expenses and improvements.

3. The Partnership shall not make distributions or disbursements to Alavi.

4. The Partnership shall not make distributions or disbursements to Assa Corp. The Monitor and Interim Trustee shall transfer all income or other disbursements due

from the Partnership to the partnership interest formerly held by Assa Corp. (“Assa Funds”) to the Seized Assets Deposit Fund, maintained by the United States Marshals Service (“USMS”), pending further order of this Court. At least two (2) business days prior to making a payment of Assa Funds to the USMS, the Monitor and Interim Trustee shall notify Assistant United States Attorney Alexander J. Wilson, United States Attorney’s Office, Southern District of New York, One St. Andrew’s Plaza, New York, New York 10007.

5. The Monitor and Interim Trustee is authorized and empowered to authorize necessary disbursements for the maintenance and upkeep of the Defendant Properties other than the Building or for necessary safety repairs, including, if necessary, disbursements from income from the Building. Such disbursements shall be treated as partnership distributions to the Alavi partnership interest.

SO ORDERED:



 HONORABLE LORETTA A. PRESKA
 UNITED STATES DISTRICT JUDGE

October 21, 2020

 DATE